

~~CONFIDENTIAL~~June 30th, 1959COCOM Document No. 3416.35/11COORDINATING COMMITTEERECORD OF DISCUSSIONONITEM 1635(b) - NICKEL BEARING STEELSJune 18th and 22nd, 1959

Present: Belgium (Luxembourg), Canada, Denmark, France, Germany, Italy, Japan, Netherlands, United Kingdom, United States.

References: COCOM Documents 3016.00/4, 3416.00/1, 3416.35/1 - 10.

1. The UNITED KINGDOM Delegate, on the occasion of the approval of the discussion on June 15th on the status of Item 1635 (COCOM 3416.35/10), said that his authorities had been under the clear impression that the Committee had agreed on April 15th that the current definition of Item 1635 was that given in COCOM 3300. It now seemed clear that some countries had interpreted the position in two ways, some using one definition and some countries another. Until such time as there was agreement on a new definition, a possible solution was that countries should continue to act on the definition that they considered to be the proper one in force.

2. The United Kingdom Delegate had proposed a 35% cut-off in their original proposal in COCOM 3416.35/4 of April 15th. This proposal was later modified and the United Kingdom Delegate stressed that the definition which the United Kingdom authorities wished to see adopted was that given in paragraph 2 of COCOM 3416.35/7 of June 1st to which all Delegations but one had agreed.

3. Without prejudice to the views still held by the United Kingdom authorities and to the continuation of discussions on the United Kingdom proposal in COCOM 3416.35/7, the United Kingdom Delegate said that his authorities would be prepared to accept from June 18th, as a temporary expedient, the 32% cut-off definition that some countries had been applying from February 1st. The Committee should clearly understand that the United Kingdom interpretation of the 32% cut-off definition was a minimum one in the light of the note of July 1958 to which reference had been made in the paragraph 3 of COCOM 3416.35/4. As regards the 32% definition he enquired whether members of the Committee were calculating the percentage of alloying elements on the basis of maximum or minimum specifications?

4. The BELGIAN, FRENCH, GERMAN and ITALIAN Delegates confirmed that their authorities were interpreting the 32% in the same way as the United Kingdom, i.e. on the basis of minimum specifications.

5. The UNITED STATES Delegate noted that the new definition of Item 1635(b), effective February 1st, 1959 (Amendment Sheet No. 2), had been agreed without any understanding that minimum specifications were to be used. The Delegate also noted that on June 15th, in confirming the effectiveness of the Amendment Sheet No. 2 definition of Item 1635(b), no understanding or condition had been recorded with respect to the use of minimum specifications in applying the definition. Further, he noted that no such understanding could have been recorded, since the question of minimum - maximum specifications had not been

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discussed in the deliberations on which the new definition was based; this question therefore had to be approached de novo. The Delegate questioned the United Kingdom's use of the term "temporary expedient" (paragraph 3, above); clearly an agreed definition remained the agreed definition until the Committee decided otherwise. The United States Delegate also questioned the applicability of the United Kingdom reference to "the note of July 1958", since the United Kingdom Delegate was referring only to a proposal made by the United Kingdom in July 1958, a proposal to which the United Kingdom had not referred in the new round of discussions on which the Amendment Sheet No. 2 definition of Item 1635(b) was based.

6. On June 22nd the CANADIAN Delegate informed the Committee that his authorities were interpreting the 32% in the same way as the United Kingdom, as indicated in paragraph 3 of COCOM 3416.35/4.

7. The UNITED STATES Delegate asked confirmation of his understanding that the Committee's agreement to the new definition of Item 1635(b) had not been made dependent on any understanding with respect to the kind of specifications to be used.

8. The BELGIAN, CANADIAN, FRENCH, GERMAN and ITALIAN Delegates confirmed that no discussion had taken place on the question of manufacturing tolerances above the minimum of 32% and that their authorities had accordingly been interpreting the 32% on the basis of minimum specifications.

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